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United States Senate

COMMITTEE ON SMALL BUSINESS WASHINGTON, DC 20510–6350 June 18, 2001

North Central/South Central/Pacific Northwest
Regional Councils for Small Business Education and Advocacy
c/o Mr. Otto Murry
DCMA
Suite 200
3001 Metro Drive
Bloomington, MN 55425

Dear Friends:

Congratulations to all three of the regional councils represented at this training conference. I particularly welcome my fellow Missourians from the South Central Regional Council. I regret that the Senate's schedule does not allow me to visit you personally, but appreciate the opportunity to share a few thoughts with you by letter. As the world of small business procurement has become more complex, these training sessions have become more and more vital, so I assure you of my personal interest and best wishes for your efforts.

Your job is a very difficult one. Keeping on top of all the new orders for goods and services is hard enough. Keeping on top of changing legal requirements makes your job even more challenging. Thank you for your hard work and for your commitment to small business participation in contracting.

Small business contracting just makes good sense. Small business is vital to any economic development effort to rebuild our nation's inner cities, isolated rural counties, and Indian reservations. That is why my HUBZone initiative seeks to bring small business into that effort.

The HUBZone program is an increasingly important item on my agenda at the Small Business Committee. I am determined that all agencies of the Government will do their part to make the HUBZone program work. It is good for our neighborhoods, good for our fellow Americans and — to the extent it brings innovative new suppliers to DoD — it is good for the warfighter who is your ultimate customer. Plus, it is good public policy for a wide range of Americans to benefit from federal contracting.

That is why I have also worked to increase opportunity for women business owners to participate in contracting as well. Since 1994, the Government has had a goal of making 5% of Federal contracting dollars available to women-owned businesses. The Government has yet to meet that goal.

As part of the Small Business Reauthorization Act of 2000 that was passed last December, the Congress created new authority to help meet that goal. It provided the opportunity for contracts to be set aside for competition restricted to women business concerns. This is a new tool in the toolbox, to give contracting officers additional flexibility as they try to meet the women business contracting goal. The Small Business Committee will be very active in helping the agencies implement this new authority as provided by law.

In fact, improving access to procurement dollars for small business will continue to be a prominent part of my agenda as long as I am one of the leaders of the Senate Small Business Committee. We have learned a lot in recent years about what it takes to get small businesses ready to be serious players in Federal procurement. For firms that are simply delivering a specific order for a product, performing on that delivery order is often simple enough.

However, longer term, larger contracts are more complex. They require sustained effort over many months or years. They require a firm to commit to and achieve intermediate milestones on time. They require the firm to maintain quality assurance standards month in and month out, year in and year out. This can be extraordinarily challenging.

That is why I have offered a bill to build upon the experience with the DoD Mentor-Protege program and make it Governmentwide. Specifically, the Administrator of the Small Business Administration would be charged with developing a Governmentwide program that would provide assistance to all types of firms targeted for special procurement procedures under the Small Business Act.

Now, it would not be possible for the SBA to manage every Mentor-Protégé relationship in the Federal Government. It would be administratively impossible. Thus, my bill calls for the Administrator to develop a core Mentor-Protégé program, applicable across the Government, and to reimburse part of the expenses of agencies that agree to adopt the SBA program. Agencies would administer the program in-house, but would apply to be reimbursed for up to 50% of certain expenses incurred in a program that conforms to the Administrator's guidelines.

Those are some of my key priorities at the Senate Small Business Committee. Thank you again for your participation in this important training conference. I hope everyone will finish these sessions with a better understanding of how small business can help you do your jobs better.

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Christopher S. Bond Ranking Member